

25X1A

The Honorable Maurice H. Stans  
Director  
Bureau of the Budget  
Washington 25, D.C.

17 MAR 1960

Dear Mr. Stans:

DDO	05	REV DATE	26/03/81	BY	018995
DDIC COMP		OPR	38	TYPE	01
DDIC CLASS	S	PROGR	1	REV CLASS	C
JUST	2	NEXT REV	2011	AUTH	DA 14-2

Receipt is acknowledged of your 4 December 1959 letter concerning the Fiscal Year 1961 Budget Estimates for the Central Intelligence Agency. The provisions of this letter are consistent with the understanding reached with your representatives on 30 November 1959. However, in order that there will be no ambiguity regarding the particular ☐ 25X1A ☐ for Political and Psychological Programs, I should like to set forth my further understanding with regard to it, which is as follows:

These funds will be made available for budgeted and planned PP Operations, provided, however, that if as a result of the study of the total U. S. Political and Psychological Programs by a special Presidential committee the Executive Branch decides to make reductions, any such reductions that can be made effective in Fiscal Year 1961 with respect to CIA PP Operations will be deducted from this special allocation and revert to savings.

The nature of the projects most likely to be affected by any approved reductions is such that the level of operations for the ensuing Fiscal Year beginning 1 July 1960 must be tentatively established by about the preceding January. Since these projects operate largely as commercial enterprises, commitments must of necessity be made well before the beginning of the Government Fiscal Year. As a practical matter it is, in fact, very difficult to make any major cutbacks after budgetary planning ceilings have been provided to the various projects, and I think that it would be virtually impossible to effect any savings from Fiscal Year 1961 funds in the absence of specific guidance prior to 1 May 1960. We would be glad to review the situation with you at any time prior to that date if you so desire.

DD/S:LKW:ecb  
Rewritten:DCI/DD/S:LKW:laq  
Rewritten:B. O. B.:ADD/S:HGL:mrp  
Rewritten:DD/S:LKW:laq

Distribution:

- 0 & 1 - Add via DD/S & Compt
- 1 - ER
- 1 - DCI

1 - DD/S

1 - COMPT

1 - DD/P ; 1 - DD/S E.O. file; 1 ea DD/S Chrono & Subject (references)

Sincerely,

SIGNED

Allen W. Dulles  
Director

CONCUR:

151  
L. K. White  
Deputy Director  
(Support)

14 March 1960

25X1A

Prepared by the Bureau of the Budget

The funds will be made available for PP operations unless the report of a special Presidential committee which will study total U. S. political and psychological programs leads to an Executive Branch decision to make reductions in this program. Should there for any reason be an undue delay in the report this Agency and the Bureau of the Budget will proceed to a determination regarding proper utilization of the amount involved.

X

27/03/81

018995